United States District Court Southern District of Texas

ENTERED

May 18, 2016
David J. Bradley, Clerk

IN THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF TEXAS HOUSTON DIVISION

IN RE PLAINS ALL AMERICAN PIPELINE, L.P.

SECURITIES LITIGATION

\$ Lead Case

\$ No. 4:15-cv-02404

\$

MEMORANDUM AND ORDER DENYING MOTION TO CONSOLIDATE AND SETTING ORAL ARGUMENT ON PENDING MOTIONS TO DISMISS

The putative class members in this federal securities action are investors in Houston-based Plains All American Pipeline, LP ("Plains"), a crude-oil pipeline operator. On May 19, 2015, Line 901—a 10.6-mile long Plains pipeline across the Santa Barbara, California coast—ruptured and released crude oil. The plaintiffs allege that Plains made misrepresentations about the measures taken to prevent such an occurrence before the spill and after the spill about the extent of the release. They seek damages for the decline in the value of Plains stock. The defendants are Plains; Plains Holdings, a limited partnership formed to own an interest in Plains's general-partner and incentive-distribution rights; officers and directors at the two companies; and underwriters associated with public offerings of the shares.

Alfred Davis moved to consolidate this putative class action with a derivative action he filed on Plains's behalf for breach of fiduciary duty. (Docket Entry No. 118). Davis's case is Civil Action No. 15-3632. Both the plaintiffs and the defendants in this case oppose consolidation. (Docket Entry Nos. 120, 121).

In Davis's case, there is a pending motion to dismiss, (Docket Entry No. 16), and a pending motion to consolidate with another derivative action, Civil Action No. 16-429, (Docket Entry No.

15). A motion to dismiss is pending in No. 16-429 as well. (Docket Entry No. 7). Motions to dismiss are also pending in the putative class action before this court. (Docket Entry Nos. 114, 115).

In light of the many pending, dispositive motions, consolidation under Rule 42 is premature at this time. *See Luera v. M/V Alberta*, 635 F.3d 181, 194 (5th Cir. 2011) (district court has "broad authority to consolidate actions" under Rule 42). The motion to consolidate, (Docket Entry No. 118), is denied, subject to reurging if the actions sought to be consolidated survive the motions to dismiss.

The court sets oral argument on the motions to dismiss in this case, (Docket Entry Nos. 114, 115) for **July 11, 2016 at 10:00 a.m.** in Courtroom 11-B.

SIGNED on May 18, 2016, at Houston, Texas.

Lee'H. Rosenthal
United States District Judge